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 C O N F I D E N T I A L MANILA 19560

CINCPAC ALSO FOR POLAD

E.O. 12356: DECL: OADR

TAGS: PINS, RP

SUBJECT: PRESIDENT AND DEFENSE MINISTER GIVE DIFFERENT
 - ACCOUNTS OF CPP/NPA INSURGENCY

1. CONFIDENTIAL - ENTIRE TEXT.

2. DISCUSSIONS CODEL EDWARDS HAD WITH PRESIDENT MARCOS AND
 DEFENSE MINISTER ENRILE DURING JULY 17-19 VISIT REVEALED
 DISCREPANCIES BETWEEN THE ACCOUNTS OF THE PRESIDENT AND HIS
 DEFENSE MINISTER ON THE CPP/NPA INSURGENCY. (OTHER ASPECTS
 OF VISIT REPORTED SEPTEL.)

3. DURING A LENGTHY DISCUSSION CODEL EDWARDS HAD WITH
 PRESIDENT MARCOS JULY 17, THE PRESIDENT ADMITTED THAT THE
 INSURGENCY HAD ACQUIRED "NEW VIGOR, FUNDING AND EQUIPMENT."
 HE SAID HIS INTELLIGENCE PEOPLE WERE ABLE TO DOCUMENT
 SOME 6,000 NPA INSURGENTS, ABOUT HALF OF WHICH ARE ARMED
 WITH MODERN ASSAULT RIFLES, AND NOT 10,000 AS SOME HAVE
 CLAIMED. REFERRING TO NPA ARMS, HE SAID, "WE CAN GUESS
 WHERE THEY ARE COMING FROM," ADDING THAT FINANCIAL SUPPORT
 FOR THE NPA "MIGHT BE COMING FROM SOME EMBASSIES LIKE
 LIBYA, OR OTHERS." (FYI: WE HAVE NO INFORMATION TO SUB-
 STANTIATE OUTSIDE SOURCES OF SUPPORT FOR THE NPA AT THIS
 TIME.) THE PRESIDENT CONTINUED THAT THE NPA OBTAINS MUCH
 OF ITS FINANCIAL BACKING FROM LOCAL BUSINESSES THROUGH
 EXTORTION. HE SAID THAT THE NPA WAS NOW CAPABLE OF OPERAT-
 ING IN BATTALION SIZE IN SOME PLACES, AND ASSERTED, "THERE
 WAS SOME UNDERSTANDING BETWEEN THE NPA AND THE MNLF."
 HE CHARGED THE WESTERN PRESS WITH DISTORTED ACCOUNTS OF
 THE SIZE AND PROWESS OF THE NPA, CLAIMING, "WE ARE ON TOP
 OF THE SITUATION - THERE IS NO DANGER TO SECURITY." HE
 THEN SAID THAT FROM JANUARY THROUGH MAY OF THIS YEAR
 THE COMMISSION ON ELECTIONS (COMELEC) HAD KEPT HIS TROOPS
 IN THE BARRACKS, "BUT NOW THEY WERE OUT CHASING THE NPA."
 HE REFERRED TO THE RECENT AFP ACTION IN THE NORTHERN LUZON
 PROVINCE OF KALINGA-APAYA, COMMENTING THAT HIS TROOPS HAD
 RETAKEN A ROAD JUNCTION THAT HAD BEEN IN NPA HANDS FOR
 TWO YEARS.

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4. THE 50 MINUTE DISCUSSION WITH DEFENSE MINISTER JUAN PONCE ENRILE THE MORNING OF JULY 18 CONCENTRATED ON THE INSURGENCY, AND REVEALED A SOMEWHAT DIFFERENT VIEW OF THE CURRENT SITUATION. ENRILE STARTED BY SAYING THAT IN LIGHT OF THE INSURGENCY HIS MINISTRY AND THE MILITARY WOULD HAVE TO SHIFT PRIORITIES FROM EXTERNAL REQUIREMENTS TO THOSE NEEDED TO FACE INTERNAL THREAT. HE SAID THE AFP WOULD USE UPCOMING U.S. SECURITY ASSISTANCE TO SUPPORT THE GROUND FORCES, AND THAT THE GOP WOULD RELY ON THE 7TH FLEET AND THE 13TH AIR FORCE FOR EXTERNAL THREAT. HE SPECIFIED HELICOPTERS, AIR TRANSPORT, T-28 TRAINERS (USED OCCASIONALLY FOR GROUND SUPPORT) AND TRUCKS AS THE ITEMS ON WHICH THE AFP RELIED MOST HEAVILY IN ITS COUNTERINSURGENCY CAMPAIGNS. HE BEMOANED THE GROWING QUANTITY OF DEADLINED EQUIPMENT, CITING THE LACK OF FUNDS FOR SPARE PARTS AS THE MAJOR CAUSE. ENRILE ADMITTED THAT THE MILITARY COMPONENT OF COUNTERINSURGENCY WAS ONLY A MEANS TO STABILIZE WHAT WAS ESSENTIALLY A POLITICAL PROBLEM. HE ASSERTED THAT THE NPA HAD NO EXTERNAL SOURCE OF ARMS, SAYING THAT THE INSURGENTS STOLE THEM FROM THE AFP. HE ADDED THAT THE AFP HAS DISCOVERED AN NPA PLAN TO MANUFACTURE .45 CALIBRE SUB-MACHINE GUNS. BY WAY OF BACKGROUND, HE SAID THAT IN 1980 THE NPA HAD BEEN ABLE TO GET INTO THE COUNTRY SOME 150 AK-47S AND SOME CZECH PISTOLS. HE THEN CONFIRMED THAT THE NPA OBTAINED FUNDS THROUGH EXTORTION OF LOCAL BUSINESSES AND TAXING RURAL FAMILIES, IN SOME CASES 100 PESOS A MONTH. ENRILE SAID THE NPA RANKS, MADE UP OF FORMER STUDENTS, FARMERS, FISHERMEN, AND LABORERS, WERE WELL TRAINED. HE DENIED ANY COOPERATION BETWEEN THE MNLF AND THE NPA. WHILE ENRILE EXPRESSED THE BELIEF THAT THE MASS OF NPA FIGHTERS COULD BE WON BACK WITH JOBS, HE DID NOT BELIEVE A GENERAL AMNESTY WOULD WORK AS THE MARXIST LEADERSHIP WAS IDEOLOGICALLY COMMITTED AND WOULD NEVER CHANGE. ENRILE EMPHASIZED THAT THE PHILIPPINES MUST NOT BE ALLOWED TO FALL TO THE MARXISTS, ALTHOUGH HE CLAIMED THE SITUATION WAS "NOT VERY CRITICAL YET." HE THEN ADDED THAT HE HAD BEEN BRIEFING THE THREAT SITUATION TO SOME OF THE OPPOSITION LEADERS, AND IN HIS VIEW WOULD BE ABLE TO ABLY DEFEND THE MILITARY BUDGET IN THE NEW NATIONAL ASSEMBLY DUE TO BE SEATED JULY 23.

COMMENT

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5. WHILE BOTH CONVERSATIONS COULD BE CHARACTERIZED AS FORTHCOMING GIVEN THE ALMOST TOTAL RETICENCE TO ADDRESS THIS PROBLEM A SHORT WHILE AGO, IT IS CLEAR THAT THE PRESIDENT CHOSE TO STICK TO THE STANDARD LINE WHICH DOWNGRADES THE NUMBER OF ARMED NPA AND EMPHASIZES A MILITARY SOLUTION.

6. ON THE OTHER HAND, THE TENOR OF THE DEFENSE MINISTER'S REMARKS CLEARLY INDICATES THAT HE UNDERSTANDS A MILITARY SOLUTION IS NOT AN ADEQUATE ANSWER TO AN INSURGENCY WHICH HE ADMITS IS LED BY IDEOLOGICALLY COMMITTED MARXIST CADRES. HERETOFORE, MINISTER ENRILE WAS IN THE FOREFRONT OF THOSE WHO PLAYED DOWN THE SIGNIFICANCE OF THE INSURGENCY. IT IS TRULY STARTLING HOW HE HAS TURNED AROUND TO FACE UP TO FACTS HE HAS PROBABLY KNOWN (OR SHOULD HAVE KNOWN) FOR SOME TIME. IN AN ASIDE I MENTIONED TO ENRILE THAT I FOUND HIS VIEWS ON THE INSURGENCY SOMEWHAT AT VARIANCE WITH THOSE THE PRESIDENT HAD PUT TO THE CODEL THE PREVIOUS DAY. HE ANSWERED THAT THE PRESIDENT WAS SPEAKING TO "A DIFFERENT

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AUDIENCE," I.E. THAT HE DID NOT WANT TO ALARM FOREIGN BANKERS.

7. WHATEVER THE REASON FOR THE DISCREPANCY, IT HIGHLIGHTS A MAJOR PROBLEM THE GOP HAS IN DEALING WITH THE INSURGENCY; NAMELY, PUTTING FORWARD A COHERENT, WELL-INTEGRATED GOVERNMENT POLICY WHICH REALISTICALLY ASSESSES AND DEALS WITH THE INSURGENCY. BOSWORTH
END OF MESSAGE

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